

City of San Marcos

630 East Hopkins San Marcos, TX 78666

Work Session - Final City Council

Tuesday, May 21, 2019 3:00 PM City Council Chambers

630 E. Hopkins - Work Session

- I. Call To Order
- II. Roll Call

PRESENTATIONS

1. Receive a Staff presentation and hold discussion regarding workforce housing, and provide direction to Staff.

EXECUTIVE SESSION

- 2. Executive Session in accordance with the following Government Code Sections:
 - A. Section § 551.071 Consultation with Attorney and Section 551.072 Deliberations Regarding Real Property, to receive a staff briefing and to deliberate the acquisition of a public utility easement on the Gunnarson property on Ramsey Street at a location adjacent to the Hilltop Electric Substation.
 - B. Section § 551.071 Consultation with Attorney: to receive a staff briefing and deliberate regarding Martindale ETJ matters and Project Big Hat
 - C. Section § 551.087 Economic Development: to receive a staff briefing and deliberate regarding Project Big Hat

III. Adjournment.

POSTED ON THURSDAY, MAY 16, 2019 @ 4:00PM

JAMIE LEE CASE, CITY CLERK

Notice of Assistance at the Public Meetings

The City of San Marcos does not discriminate on the basis of disability in the admission or access to its services, programs, or activities. Individuals who require auxiliary aids and services for this meeting should contact the City of San Marcos ADA Coordinator at 512-393-8000 (voice) or call Texas Relay Service (TRS) by dialing 7-1-1. Requests can also be faxed to 855-461-6674 or sent by e-mail to ADArequest@sanmarcostx.gov



City of San Marcos

630 East Hopkins San Marcos, TX 78666

Legislation Text

File #: ID#19-223, Version: 1
AGENDA CAPTION: Receive a Staff presentation and hold discussion regarding workforce housing, and provide direction to Staff Meeting date: May 21, 2019
Department: Planning & Development Services
Amount & Source of Funding Funds Required: N/A Account Number: N/A Funds Available: N/A Account Name: N/A
Fiscal Note:
Prior Council Action: City Council Strategic Initiative
City Council Strategic Initiative: [Please select from the dropdown menu below]
Workforce Housing
Choose an item.
Choose an item.
Comprehensive Plan Element (s): [Please select the Plan element(s) and Goal # from dropdown menu below]
☐ Economic Development - Choose an item.
☐ Environment & Resource Protection - Choose an item.
⊠ Land Use - Direct Growth, Compatible with Surrounding Uses
oximes Neighborhoods & Housing - Diversified housing options to serve citizens with varying needs and interests
☐ Parks, Public Spaces & Facilities - Choose an item.
☐ Transportation - Choose an item.
□ Not Applicable

<u>Master Plan</u>: [Please select the corresponding Master Plan from the dropdown menu below (if applicable)]

Choose an item.

File #: ID#19-223, Version: 1

Background Information:

Workforce Housing was identified as one of five strategic initiatives in 2018, and 2019. A City Council Workforce Housing Committee was formed to further the goals of the initiative. The Workforce Housing Strategic Initiative identified three primary outcomes: Assemble a Workforce Housing Task Force, Increase Rates of Homeownership, and Maintain Existing Housing Stock in Safe Conditions. A Housing Task Force was formed in August of 2018 with the purpose of assisting the City Council Workforce Housing Committee in developing a Strategic Housing Action Plan aimed at addressing the housing needs in San Marcos. The Housing Task Force will work in tandem with the City Staff and local stakeholders to address our housing challenges through the SMTX 4 All Housing Program. The purpose of this presentation is to update the City Council on the work of the Housing Task Force since September 2018.

Council Committee, Board/Commission Action:

Click or tap here to enter text.

Alternatives:

Click or tap here to enter text.

Recommendation:

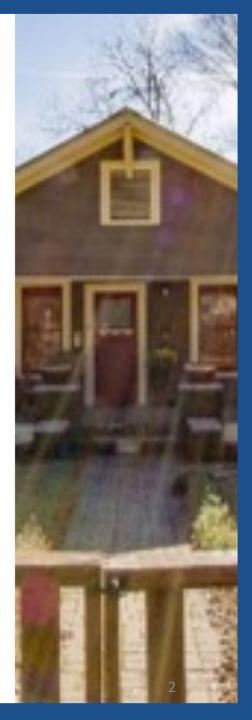
Click or tap here to enter text.



Presentation Outline

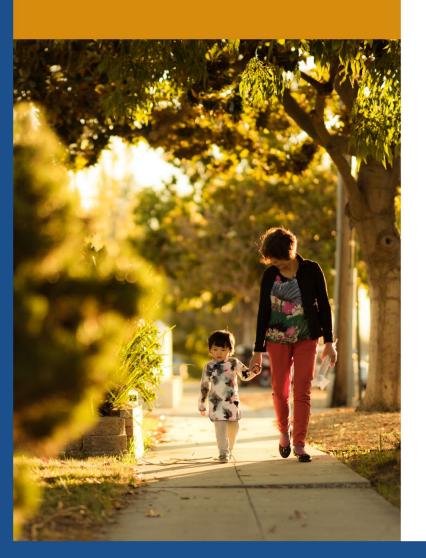
- Project Overview Abigail Gillfillan
- Public Outreach Andrea Villalobos
- Needs Analysis Findings Mollie Fitzpatrick
- 4 Questions / Discussion





OUTCOMES

WORKFORCE HOUSING STRATEGIC INITIATIVE





Assemble a Workforce Housing Task Force



Increase the Rates of Home Ownership



Maintain Existing Housing Stock in Safe Conditions

September

Project Launches

- Task Force Goals
- Initiate Needs Assessment

November

Housing Choice Survey

- Remove Workforce from Title
- Working Groups
- Refine Goals

January

Data Brief and Gaps Analysis

- Refine Strategies
- Actions

March

Needs Assessment

- Development Code Amendments
- Public Outreach Strategy

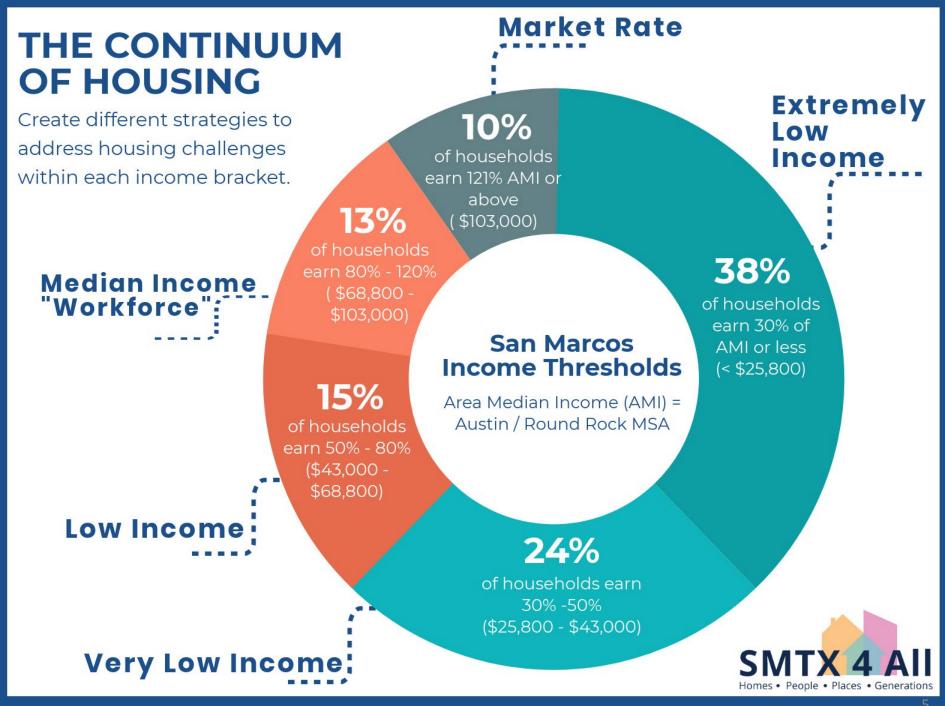
May

Public Outreach



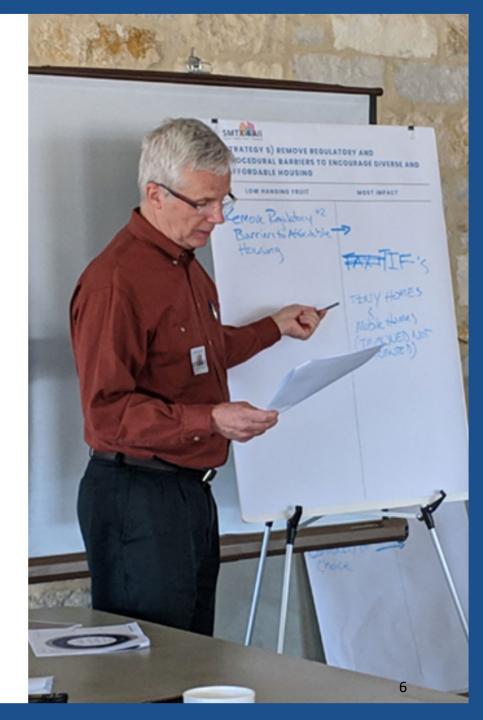
HOUSING TASK FORCE





Five Working Groups:

- Preventing Displacement
- Facilitating New Housing
- Long Term Affordability
- Development Code Amendments
- Public Outreach









Assemble a **Workforce Housing Task Force**

Strategic Initiative



Increase the Rates of Home **Ownership**



Maintain Existing Housing Stock in Safe Conditions

Task Force Refinement

Task Force Goals

Leverage Community and Regional Partners





Expand Opportunities for Housing

Preserve and **Enhance Existing Housing Stock**





Quantify and meet the needs of existing and future residents.

May

Public Input

- Open House
- Community Conversations
- Housing Story

June

Draft Housing Action Plan

- Task Force Review
- Council Committee Review

July

Public Feedback

- Open House
- Community Conversations
- Housing Story

September

Final Housing Action Plan

Task Force Final Recommendation

October

City Council Adoption

Implementation

Next Steps



PUBLIC INPUT

City of San Marcos

Housing Task Force

OPEN HOUSE

Date: Wednesday, May 22

Time: 5:30 - 7:30 p.m.

A Presentation will begin at 6 p.m.

Location: San Marcos Rec Hall, 298
Jowers Access Road









The City of San Marcos invites you to host a

Community Conversation

To Discuss **Housing** in San Marcos!

San Marcos is developing a Strategic Action Plan aimed at addressing the housing needs in San Marcos. We invite community groups and stakeholders to host a Community Conversation with your neighborhood, school, or business association to learn more and provide input for consideration by the housing task force!

Community Conversations can be facilitated by City Staff or Housing Task Force Members. Please sign up using the link below and staff will contact you to find out more about your organization and schedule a meeting time that works best for you!

sanmarcostx.gov/smtx4all

Share Your Housing Story!



Why do you love living in San Marcos? What's your take on the housing challenges in San Marcos? Stories like yours illustrate that housing should be for all people, in all places, for all generations. We invite you to share your housing story online through a photo campaign!

Visit sanmarcostx.gov/smtx4all to

Upcoming Event: Housing Open House

Please join us for an informative open house on the housing needs in San Marcos

Date: Wednesday, May 22

Time: 5:30 - 7:30 p.m.

Location: San Marcos Rec Hall, 298
Jowers Access Road

University Housing Group	5/7
Regional WIC Staffing	5/9
SMCISD Cabinet	5/13
DTA Quality of Life Committee	5/15
Neighborhood Commission	5/20
Hays County Food Bank Staff	5/22
Food Bank Distribution	5/29
CONA	6/17
Neighborhood Enhancement	6/20
ACT Ally Managers	7/11

Share Your Housing Story!



Stories like yours illustrate that housing should be for all people, in all places, for all generations.











San Marcos Housing Needs Assessment

PRESENTED BY

Mollie Fitzpatrick, Managing Director





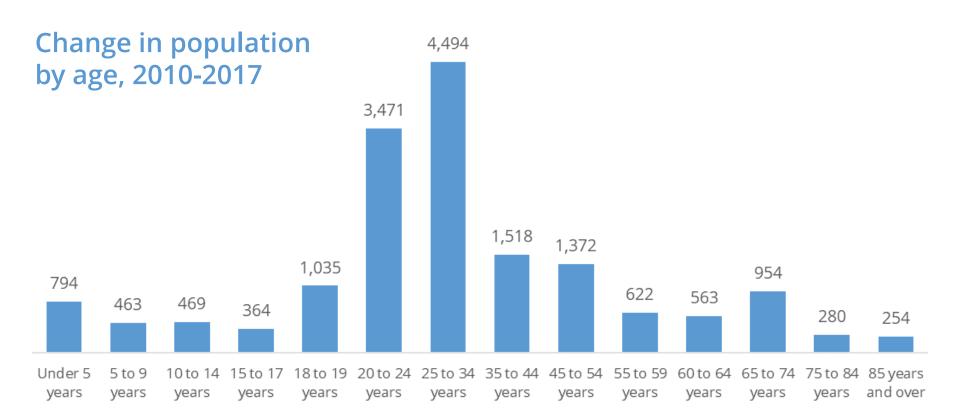
Report Organization

- Demographic Profile
- II. Housing Profile and Market Analysis
- III. Community Input
- IV. Key Findings and Action Plan

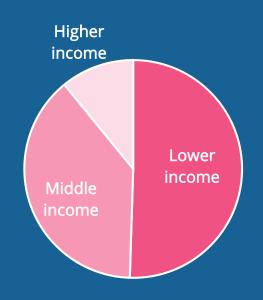
Demographic Profile

Population and Households

15% 39% 18% 8% 12% 7% children college age young adult middle adult boomers seniors

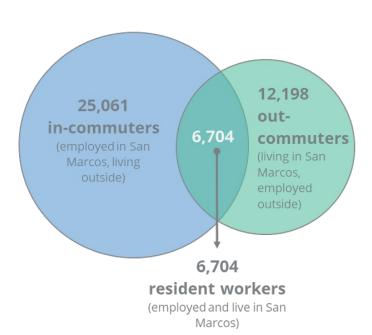


Income and Employment



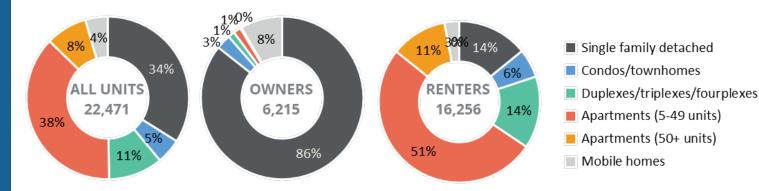
	Poverty Rate (All People)	Poverty Rate (Excluding Students)
San Marcos	35%	19%
Waco	26%	20%
College Station	32%	10%
Austin MSA	12%	10%
San Antonio MSA	15%	14%

Commuting Patterns



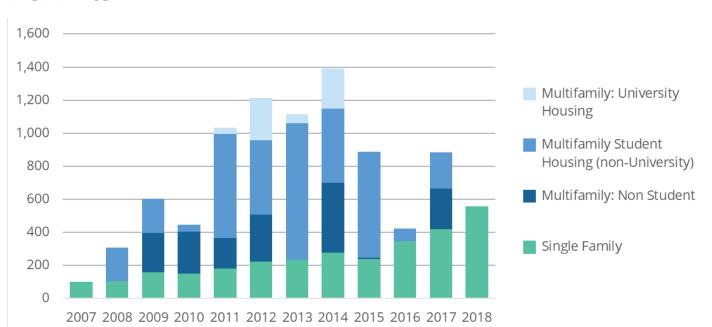
Housing & Affordability

Units in Structure



Housing Stock

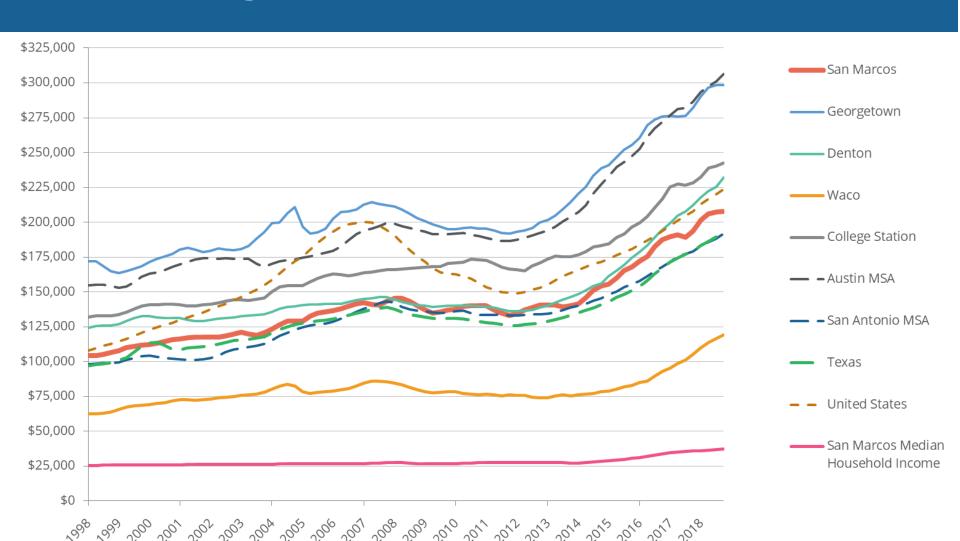
Permits



Renters and Owners

	Ren	ters	Owi	ners	Ownership	
	Number	Percent	Number	Percent	Rate	Ownership Rate Charted
Total Households	16,256	100%	6,215	100%	28%	28%
Median Income	\$27,	,104	\$64	,333		
Income Distribution						
Less than \$25,000	7,490	46%	944	15%	11%	11%
\$25,000 - \$50,000	5,000	31%	1,380	22%	22%	22%
\$50,000 - \$75,000	2,013	12%	1,407	23%	41%	41%
\$75,000 - \$100,000	944	6%	905	15%	49%	49%
\$100,000+	809	5%	1,579	25%	66%	66%
Age of Householder						
Young millennials and students (15-24)	7,193	44%	133	2%	2%	2%
All householders 25 and over	9,063	56%	6,082	98%	40%	40%
Post-college millennials (25-34)	4,456	27%	1,058	17%	19%	19%
Ages 35-44	1,577	10%	1,128	18%	42%	42%
Ages 45-64	2,058	13%	2,312	37%	53%	53%
Seniors (65 and older)	972	6%	1,584	25%	62%	62%
Household Type						
Family household without children	2,063	13%	2,588	42%	56%	56%
Family household with children	2,794	17%	1,721	28%	38%	38%
Nonfamily household - living alone	5,848	36%	1,439	23%	20%	20%
Other nonfamily household	5,551	34%	467	8%	8%	8%
Race/Ethnicity of Householder						
Non-Hispanic white	8,802	54%	3,729	60%	30%	30%
Hispanic	6,002	37%	2,219	36%	27%	27%
Black or African American	771	5%	153	2%	17%	17%
Other minority	681	4%	114	2%	14%	14%

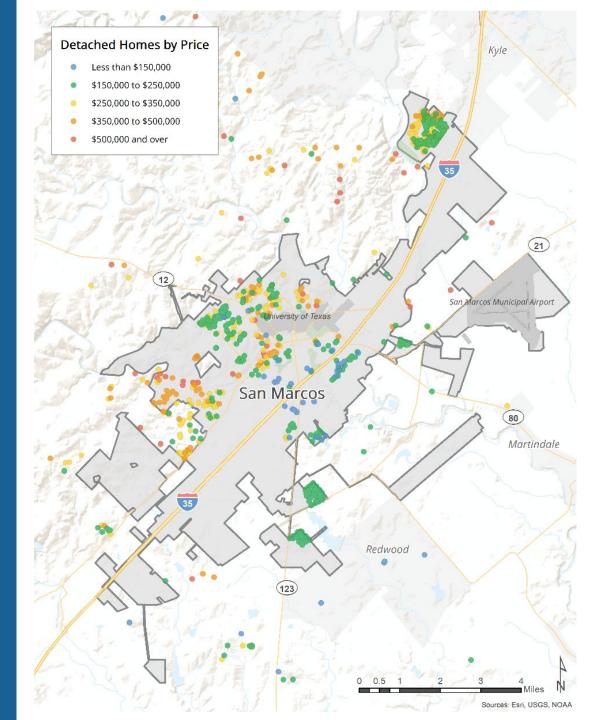
Housing Price Trends



List/Sale Price 2017-18

21% < \$200,000 59% \$200,000-\$350,000 20% >\$350,000

Attached vs Detached



Rental Market

median rent: \$966 in 2017 \$622 in 1999

55% increase in rent compared to 37% increase in median income

Conventional vs Student Rentals

	Conventional Apartments	Student Apartments
Number of Units	5,300	5,900
Average Rent per Unit	\$1,043	\$1,827
Average Rent per Sq Ft	\$1.27	\$1.48
Average Size of Units (Sq Ft)	824	1,237
% of units that are 3+ bedroom:	s 7%	58%
% change in rent 2010 to 2018	36%	39%

Rental Distribution



Market Gaps

Compares the supply of housing at various price points to the number of households who can afford such housing

Rental

Renter	<u></u> Affordable	Rent	ers	Renal l	Jnits	Can
Incomes	Rent	Num.	Pct.	Num.	Pct.	Gap
Less than \$5,000	\$125	2,045	13%	49	0%	(1,996)
\$5,000-\$9,999	\$250	1,187	7%	68	0%	(1,119)
\$10,000-\$14,999	\$375	1,496	9%	212	1%	(1,285)
\$15,000-\$19,999	\$500	1,264	8%	297	2%	(968)
\$20,000-\$24,999	\$625	1,498	9%	916	6%	(583)
\$25,000-\$34,999	\$875	2,445	15%	4,163	26%	1,718
\$35,000-\$49,999	\$1,250	2,555	16%	6,354	40%	3,799
\$50,000-\$74,999	\$1,875	2,013	12%	2,660	17%	647
\$75,000+	\$1,875+	1,753	11%	1,167	7%	(586)
Total/Low Incom	ne Gap	16,256	100%	15,884	100%	(5,950)

Ownership

	Max Affordable	Renters		Homes Listed/Sold (2017-2018)		Renter Purchase	Cumulative Gap excluding
Income Range	Home Price	Num.	Pct.	Num.	Pct.	Gap	<\$25,000
Less than \$25,000	\$ 80,192	7,490	46%	4	0%	-46%	n/a
\$25,000 to \$34,999	\$112,271	2,445	15%	16	1%	-14%	-14%
\$35,000 to \$49,999	\$160,388	2,555	16%	74	5%	-11%	-25%
\$50,000 to \$74,999	\$240,584	2,013	12%	524	34%	21%	-3%
\$75,000 to \$99,999	\$320,779	944	6%	521	34%	28%	24%
\$100,000 to \$149,999	9 \$481,171	654	4%	287	19%	15%	39%
\$150,000 or more	\$481,172+	155	1%	121	8%	7%	46%

Worker Affordability

Industry	Average Annual Wage	Max Affordable Rent	Can Afford Median Rent?	Max Affordable Home Price	Can Afford Median Home Price?	Can Afford Median Home Price with 1.5 earners per household?
Goods Producing (Private)	\$53,612	\$1,340	yes	\$171,978	no	yes
Natural Resources and Mining	\$56,264	\$1,407	yes	\$180,485	no	yes
Construction	\$50,752	\$1,269	yes	\$162,804	no	no
Manufacturing	\$56,680	\$1,417	yes	\$181,820	no	yes
Service Producing (Private)	\$34,216	\$855	no	\$109,759	no	no
Trade, Transportation, and Utilities	\$33,644	\$841	no	\$107,924	no	no
Information	\$56,420	\$1,411	yes	\$180,985	no	yes
Financial Activities	\$54,652	\$1,366	yes	\$175,314	no	yes
Professional and Business Services	\$46,956	\$1,174	yes	\$150,627	no	no
Education and Health Services	\$38,740	\$969	yes	\$124,271	no	no
Leisure and Hospitality	\$16,900	\$423	no	\$54,212	no	no
Other Services	\$35,568	\$889	no	\$114,096	no	no
Total Private Employment	\$37,752	\$944	no	\$121,102	no	no
Total Employment	\$39,572	\$989	yes	\$126,940	no	no

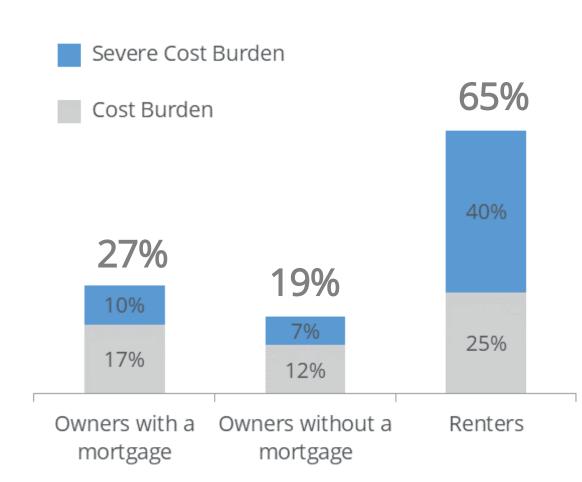
Households paying >30% for housing are "cost burdened"



Households paying >50% for housing are "severely cost burdened"



Cost Burden



Community Input

Resident Survey and Stakeholder Focus Groups

Top 3 Most Important Factors in Choosing Current Home

SAN MARCOS HOMEOWNERS

- Liked the neighborhood
- Cost/I could afford it
- Type of home/layout of home
- Close to work/job opportunities
- Large yard/size of yard

SAN MARCOS RENTERS

- Cost/I could afford it
- Close to college/university
- Close to work/job opportunities
- Allow pets/dogs
- Number of bedrooms

SAN MARCOS STUDENT RENTERS

- Close to college/university
- Cost/I could afford it
- Number of bedrooms
- Close to bus/transit
- Liked the type of home/apartment

IN-COMMUTER HOMEOWNERS

- Large yard/size of yard
- Cost/I could afford it
- Quiet area
- Liked the neighborhood
- Low crime rate/safe

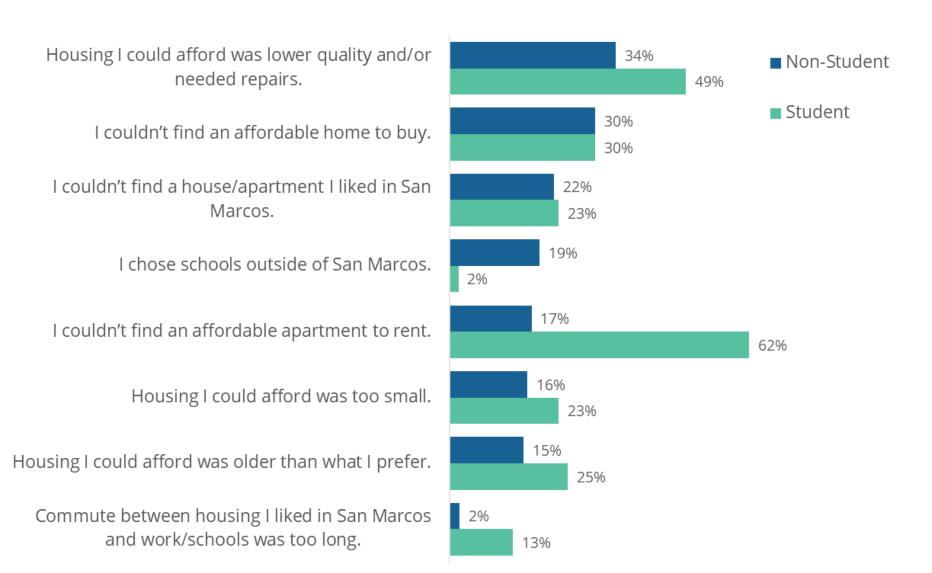
IN-COMMUTER RENTERS

- Cost/I could afford it
- Allow pets/dogs
- Number of bedrooms
- Quiet area
- Type of home/layout of home

IN-COMMUTER STUDENT RENTERS

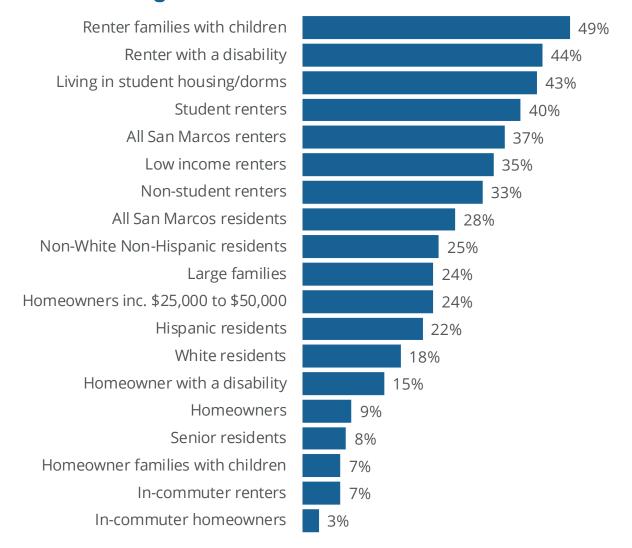
- Cost/I could afford it
- Number of bedrooms
- Allow pets/dogs
- Close to work/job opportunities
- (tie) Low crime rate/type of (5) home/close to college/university ₂₈

Incommuter Preferences



Condition and Repair Needs

Percent Rating Their Home in *Fair* or *Poor* Condition:



Most important owner repairs needed:

- Roof
- Weatherization
- Wiring/electrical
- Interior walls/cracks

Most important renter repairs needed:

- Interior walls/ceilings
- A/C or cooling system
- Kitchen appliances
- Bathroom plumbing
- Weatherization

Accessibility Improvements

16% of non-student hh and 13% of student hh include a member with a disability

1/3 of those have accessibility needs in home (1/4 for students)

Two in five San Marcos residents with disabilities and in-home accessibility needs (43%) live in housing that does not meet their accessibility needs.



Among the residents whose homes need accessibility modifications, the three most common modifications needed are:

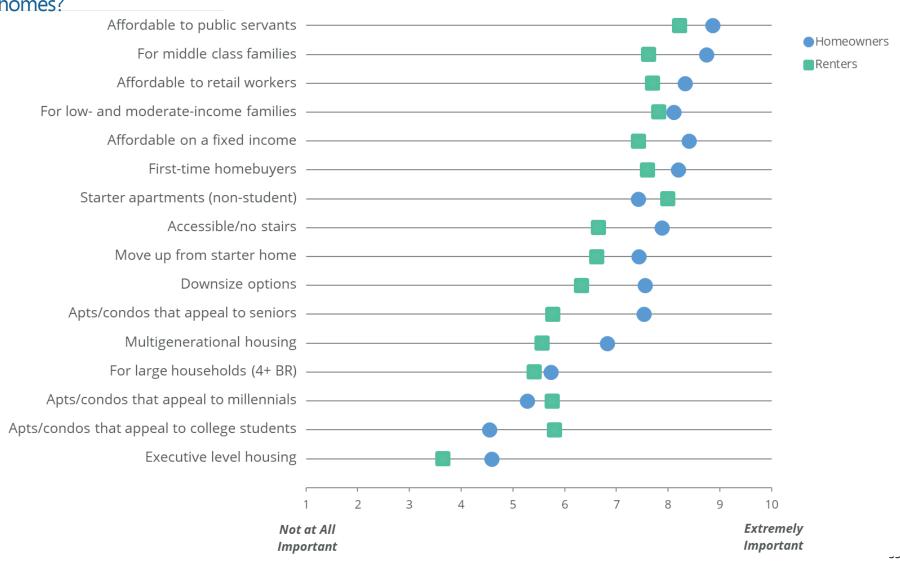
- Ramps;
- Grab bars in bathroom; and
- Wider doorways.

Renter and Owner Costs by Years in Current Home

		Renter H	ouseh	olds		Home	owner	S
Number of Years in Current Home	Sar	n Marcos	In-Co	ommuters	San	Marcos	In-Co	mmuters
Non-Students								
Less than 1 year (2018-present)	\$	1,050	\$	1,200	\$	1,400	\$	1,550
1 year up to 5 years (2013-2018)	\$	1,000	\$	1,100	\$	1,500	\$	1,540
5 years up to 10 years (2008-2013)	\$	982	\$	825	\$	1,300	\$	1,400
10 years or more (Prior to 2008)	\$	994		-	\$	1,200	\$	1,200
Students								
Less than 1 year (2018-present)	\$	1,050	\$	1,200				
1 year up to 5 years (2013-2018)	\$	750		-				
5 years up to 10 years (2008-2013)		-		-				
10 years or more (Prior to 2008)		-		-				

Housing Spectrum

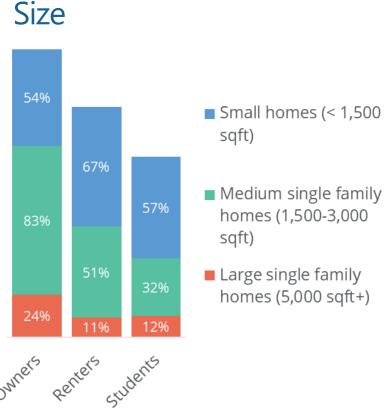
On a scale of 1 to 10, how important to you is it that San Marcos's housing supply includes the following types of homes?



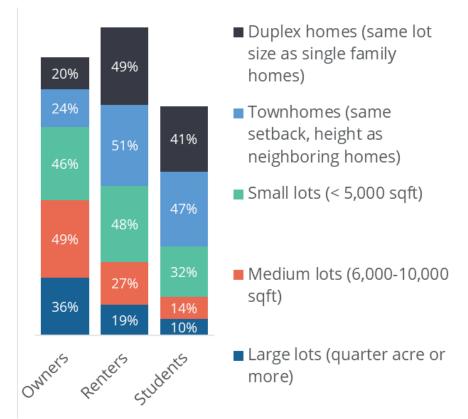
Appetite for Density

Housing types residents considered appropriate in their neighborho

Single Family Home



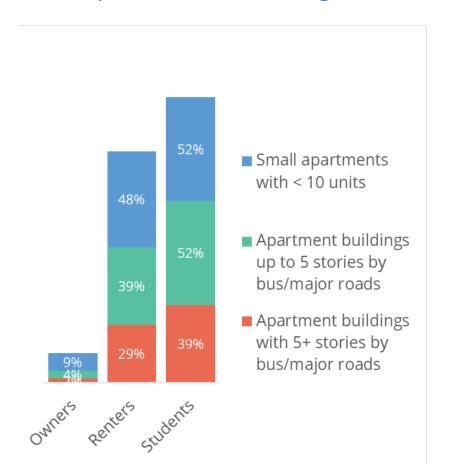
Lot Flexibility



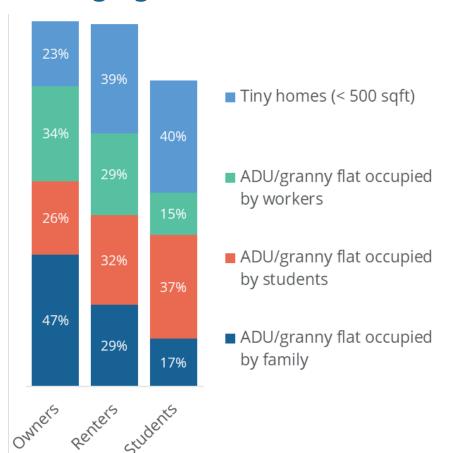
Appetite for Density

Housing types residents considered appropriate in their neighborho

Apartment Buildings



Emerging Products



Top Needs

Why do we have affordable housing needs?

- Additional affordable rentals for residents earning less than \$25,000
- 2) Displacement prevention
- 3) Starter homes and family homes priced near or below \$200,000 and increased ownership product diversity.
- 4) Improve condition and accessibility of existing housing stock.

QUESTIONS



Mollie Fitzpatrick

Managing Director
Root Policy Research
Denver, Colorado 80220
970.880.1415 x101
www.rootpolicy.com
mollie@rootpolicy.com





City of San Marcos

630 East Hopkins San Marcos, TX 78666

Legislation Text

File #: ID#19-234, Version: 1

AGENDA CAPTION:

Executive Session in accordance with the following Government Code Sections:

- A. Section § 551.071 Consultation with Attorney and Section 551.072 Deliberations Regarding Real Property, to receive a staff briefing and to deliberate the acquisition of a public utility easement on the Gunnarson property on Ramsey Street at a location adjacent to the Hilltop Electric Substation.
- B. Section § 551.071 Consultation with Attorney: to receive a staff briefing and deliberate regarding Martindale ETJ matters and Project Big Hat
- C. Section § 551.087 Economic Development: to receive a staff briefing and deliberate regarding Project Big Hat

Meeting date: 5/21/2019

Department: City Clerk's Office on behalf of the City Council

Amount & Source of Funding

Funds Required: Click or tap here to enter text.

Account Number: Click or tap here to enter text.

Funds Available: Click or tap here to enter text.

Account Name: Click or tap here to enter text.

Fiscal Note:

Prior Council Action: Click or tap here to enter text.

<u>City Council Goal</u>: [Please select goal from dropdown menu below]

Choose an item.

Choose an item.

Choose an item.

<u>Comprehensive Plan Element (s)</u>: [Please select the Plan element(s) and Goal # from dropdown menu below]

Ш	Economic	Deve	lopment	-	Choose	an	item.	

☐ Environment & Resource Protection - Choose an item.

File #: ID#19-234, Version: 1
☐ Land Use - Choose an item.
□ Neighborhoods & Housing - Choose an item.
☐ Parks, Public Spaces & Facilities - Choose an item.
☐ Transportation - Choose an item.
□ Not Applicable
Master Plan: [Please select the corresponding Master Plan from the dropdown menu below (if applicable)]
Choose an item.
Background Information:
Click or tap here to enter text.
Council Committee, Board/Commission Action:
Click or tap here to enter text.
Alternatives:
Click or tap here to enter text.
Recommendation:
Click or tap here to enter text.